PROTECTING YOUR BUSINESS
DURING PANDEMICS
TRACTION

# PRESENTED BY

BOAST.AI

LAUNCH

venbridge

LAZARIDIS INSTITUTE

# SPEAKERS

**DR. HOWARD OVENS**
Chief Medical Strategy Officer, Sinai Health System and Staff Emergency Physician, Mount Sinai Hospital

**DR. VIVETA LOBO**
Director, Emergency Ultrasound, and Clinical Asst. Professor,
Stanford University School of Medicine

**DR. WILLIAM CHERNIAK**
Co-Founder and CEO, RocketDoctor.io
Asst. Prof. University of Toronto, Emergency Medicine
Adj.Prof. Northwestern University

**GARRON HELMAN**
CEO
Venbridge

**VIGNESH RAVIKUMAR**
Principal
Sierra Ventures

**ALEX POPA**
CEO
Boast.AI

**JOHN KOETSIER**
Journalist
Forbes, VentureBeat

# MODERATOR

## RUSS ARMSTRONG

- Head of Sales - Eastern Canada, Boast.AI
- Cofounder, Limelight (>$10M raised)
- 11 years @ RBC Capital Markets

# AGENDA

- Frontline Physicians on COVID-19
- Navigating difficult times
- Remote work best practices
- Financial relief and support programs
- Credit markets
- Financing
- Cashflow management

FRONTLINE
PHYSICIANS

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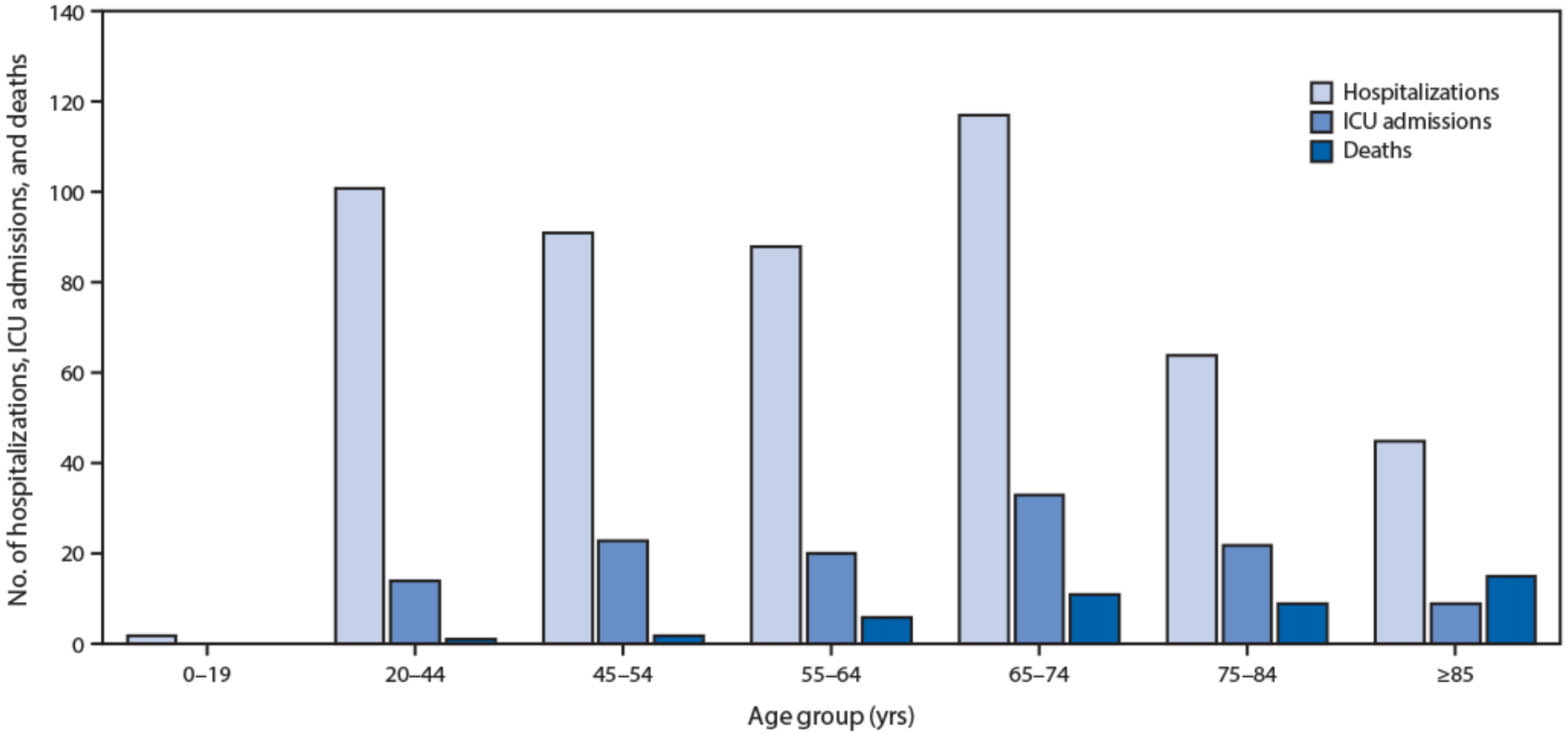
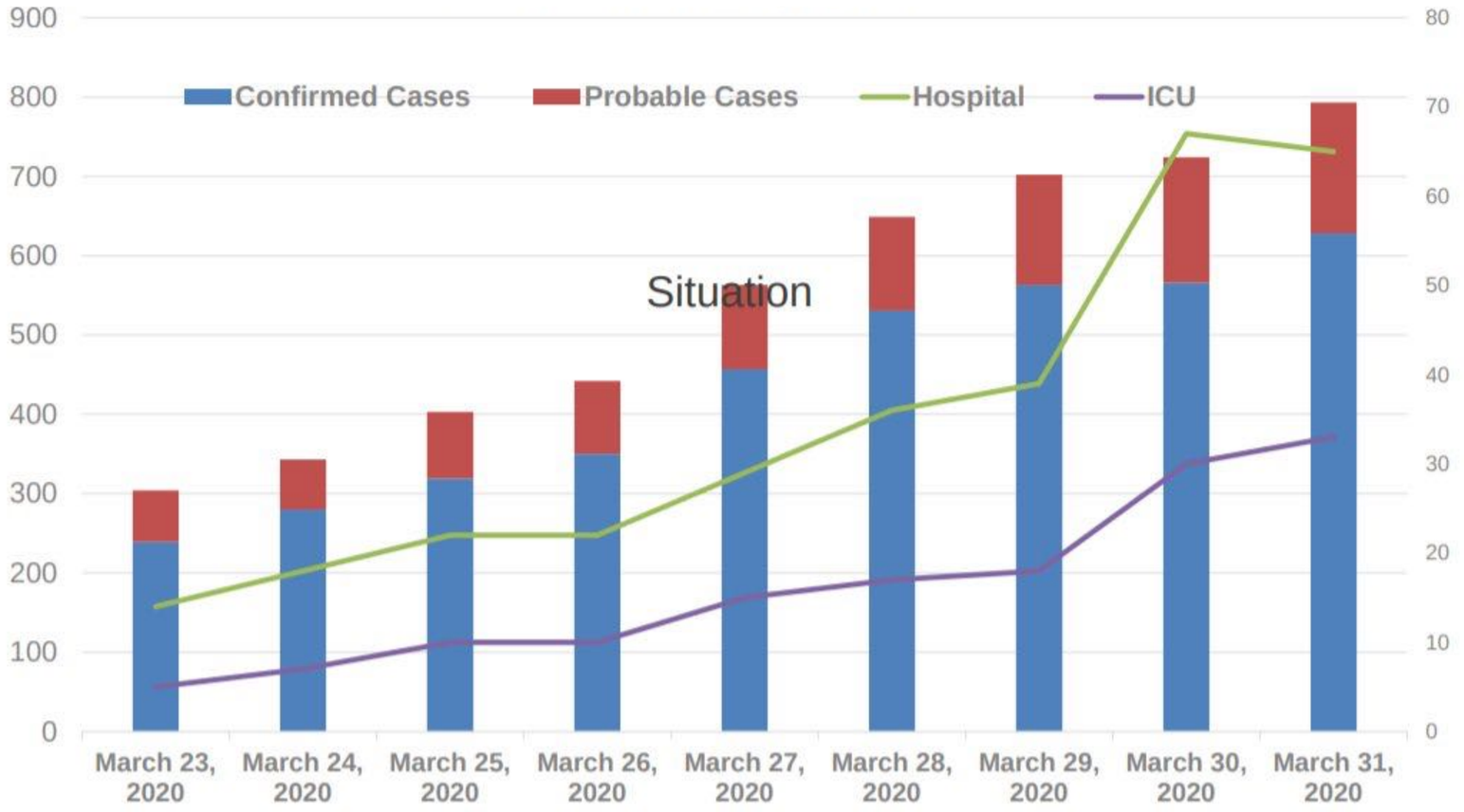
# COVID-19 USA

COVID-19 hospitalizations, ICU admissions, and deaths, by age group, Feb 12 - Mar 16, 2020 (CDC)



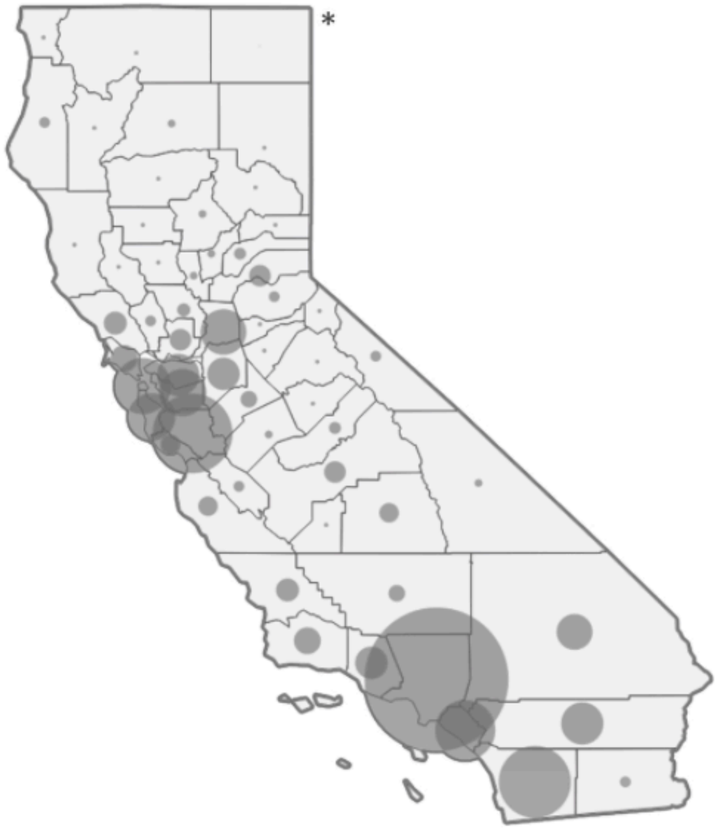
# COVID-19 TORONTO

Confirmed and probable cases, March 23-31



# COVID-19 CALIFORNIA

Confirmed and probable cases as of March 31 (covid.ca.gov)




**6,932**
**Total Cases**

**Ages of Confirmed Cases**
- 0-17: 73
- 18-49: 3,529
- 50-64: 1,765
- 65+: 1,531
- Unknown/Missing: 34

**Gender of Confirmed Cases**
- Female: 3,155
- Male: 3,666
- Unknown/Missing: 111

**Hospitalizations**

**Confirmed COVID-19**
**1,617/657**
Hospitalized/in ICU

**Suspected COVID-19**
**3,439/602**
Hospitalized/in ICU

**150**
**Fatalities**

# RESOURCES

- US tracker: bing.com/covid
- Canada tracker: bit.ly/covidcanadacases
- How we might move forward: bit.ly/covidmoveforward

# FUNDERS

# SPEAKERS

**GARRON HELMAN**
CEO
Venbridge

**VIGNESH RAVIKUMAR**
Principal
Sierra Ventures

# MUMBAI 2005

*1,094 dead*
*37.2 inches of rain in 24 hrs - 8th heaviest rainfall ever recorded*

STAY CALM
Go the extra mile

# TRUST THE EXPERTS

*Together we will save businesses*

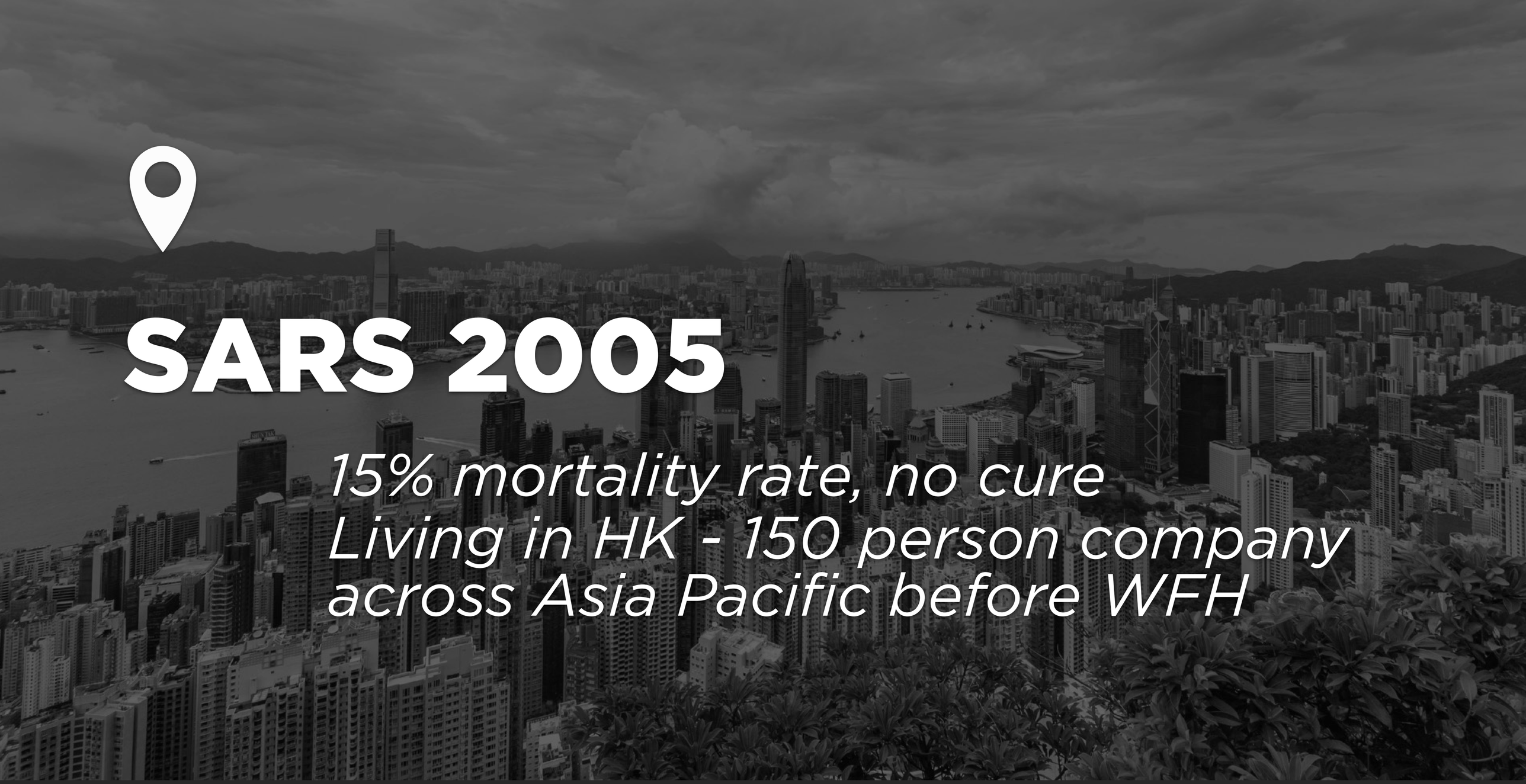
# EVERYONE'S A LEADER

*Focus on what you do best*

DONATE SANDALS
Every little bit counts

# GIN & TONIC

*There is a bright light at the end of the tunnel*



# SARS 2005

*15% mortality rate, no cure*
*Living in HK - 150 person company across Asia Pacific before WFH*

ISOLATE
Everyone with symptoms

# COMMUNICATE

*A lot*

# DON’T OVERREACT

*Don’t under react*

# CANADA 2020

*COVID-19 Coronavirus*

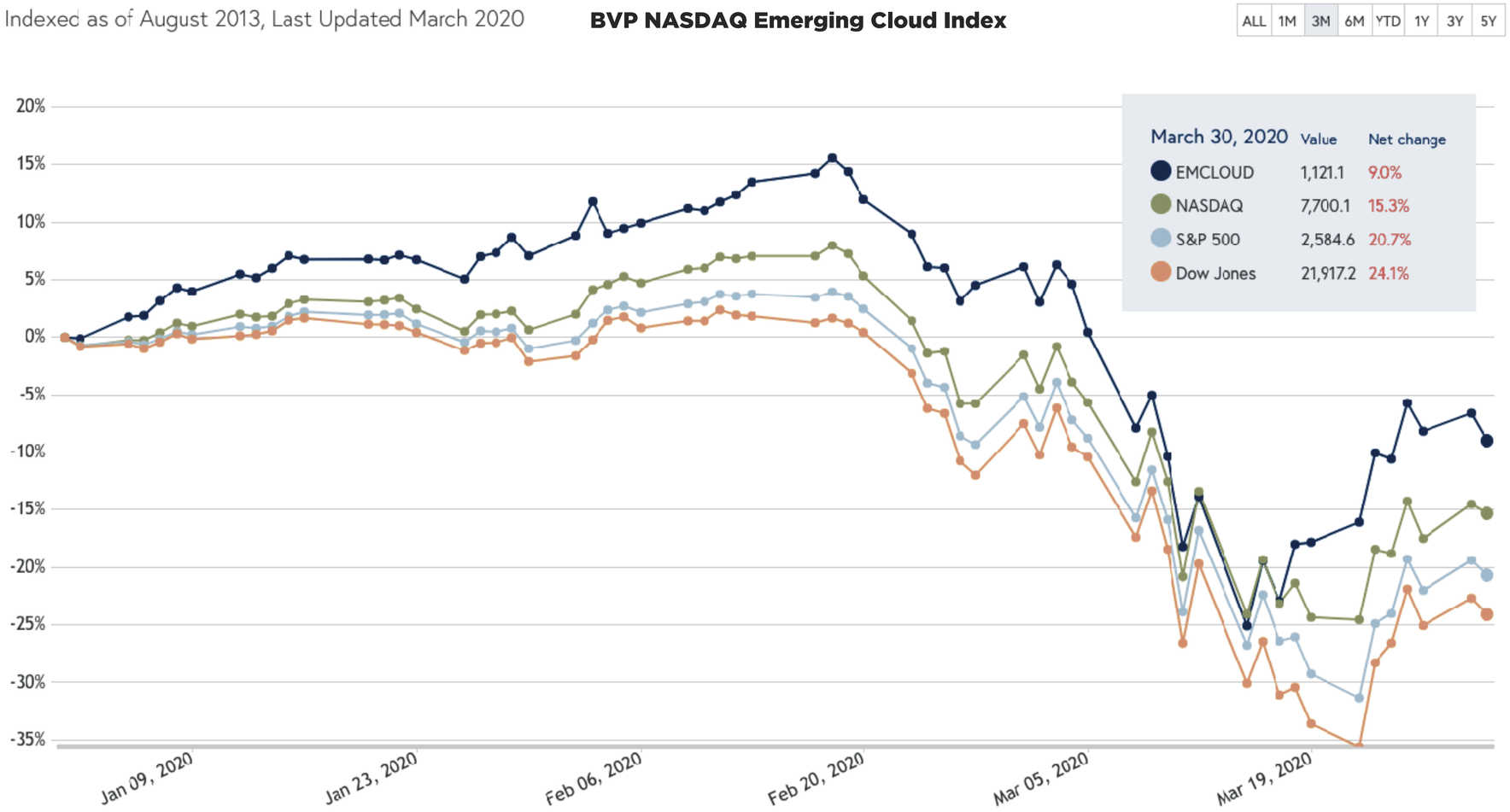
PROTECTING YOUR BUSINESS DURING PANDEMICS

TRACTION

# TRAIN FOR A SPRINT, PREP FOR A MARATHON

- The first peak in your city is likely to happen in April
- The pandemic may go on for 18 months
- Mentally, physically and financially prepare for the long run
- Ensure you're doing everything now that can be done to ensure the continued success of your business

# CREDIT MARKETS - PRIVATE MARKET LAG



# SR&ED PROGRAM UPDATES

- CRA declared essential service.
- Claims are still being processed.
- Potential higher threshold for audits.
- Can fax expedite due to cash flow impact, but no guarantees.
- Claims filed electronically before March 31.
- Claims filed via paper before March 31.
- Filing a claim as of this week.

# FINANCING - CANADA

Canada Emergency Business Account

- Up to $40k in emergency liquidity support for businesses
- To qualify, demonstrate 2019 total payroll between $50k & $1m
- 25% (up to $10,000) if balance repaid on or before Dec 31, 2022

# FINANCING - CANADA

BDC Co-lending Program for SMBs

- Up to $6.25m incremental credit amounts
- BDC's portion is up to $5m maximum per loan
- FI's will conduct underwriting and interface with customers
- Working capital loans of up to $2m with flexible repayment terms such as principal postponements

# FINANCING - CANADA

Other Lenders

- Operating lines
- Asset based lending
- Invoice factoring
- SR&ED and tax credit lending

# CASH IS (STILL) KING

- Focus on your models best & worst case scenario
- Show that you have a 6 to 8 month cash runway
- Consider non-traditional sources of financing
- Manage headcount so your clients continue to be delighted
- Consider what payables can be deferred
- Take advantage of as many government deferrals & incentives as possible
- Claim govt grants, R&D credits/ SR&ED ASAP

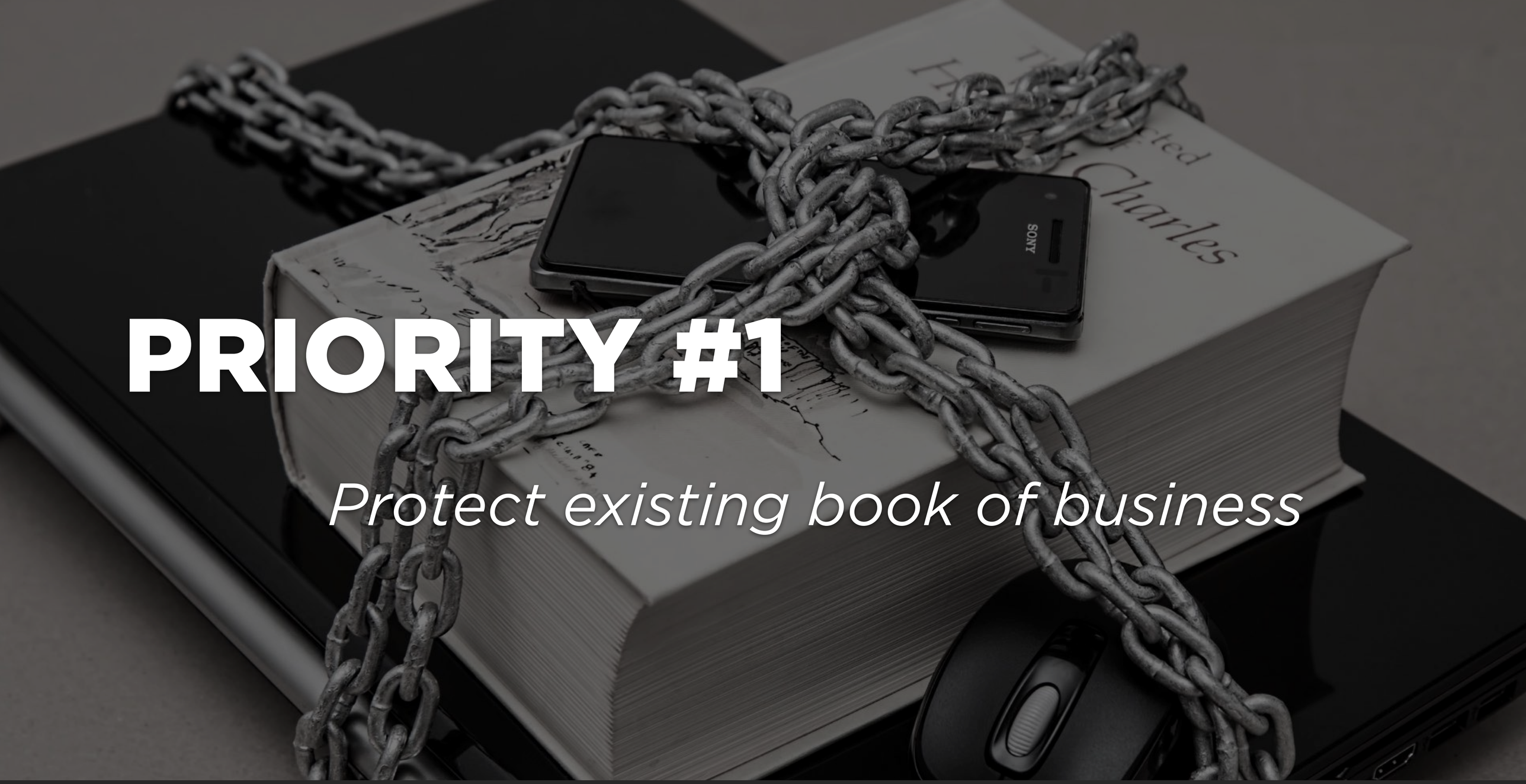
# RESOURCES

- Canada’s COVID-19 Economic Response Plan: bit.ly/cacoviderp
- Support to Businesses: bit.ly/cacovidbusinesssupport
- Business Credit Availability Program: bit.ly/cacovidbcap
- Export Development Canada: bit.ly/cacovidedc
- Tax: bit.ly/cacovidtax, bit.ly/cacovidtax2

# CONTACT

- sred@venbridge.com: for guidance relating to how the government programs work with SR&ED
- covid@venbridge.com: for health & wellbeing questions and guidance
- finance@venbridge.com: for guidance on venture debt, access to capital and business planning

# COMPANY ADVICE




# PRIORITY #1

*Protect existing book of business*

# RUNWAY

*12 months min, ideally 18 months*

# BILLINGS

*Expect them to be light in Q2*

# DEBT LINES

*Draw if you have them*

# FREEZE HIRING

*Seeing 15-20% cut in spending across the board*

# TRIM THE FAT

*If you recently raised or have your business model figured out*

# BE OPPORTUNISTIC

*Focus on product, smaller acquisitions, partnerships*

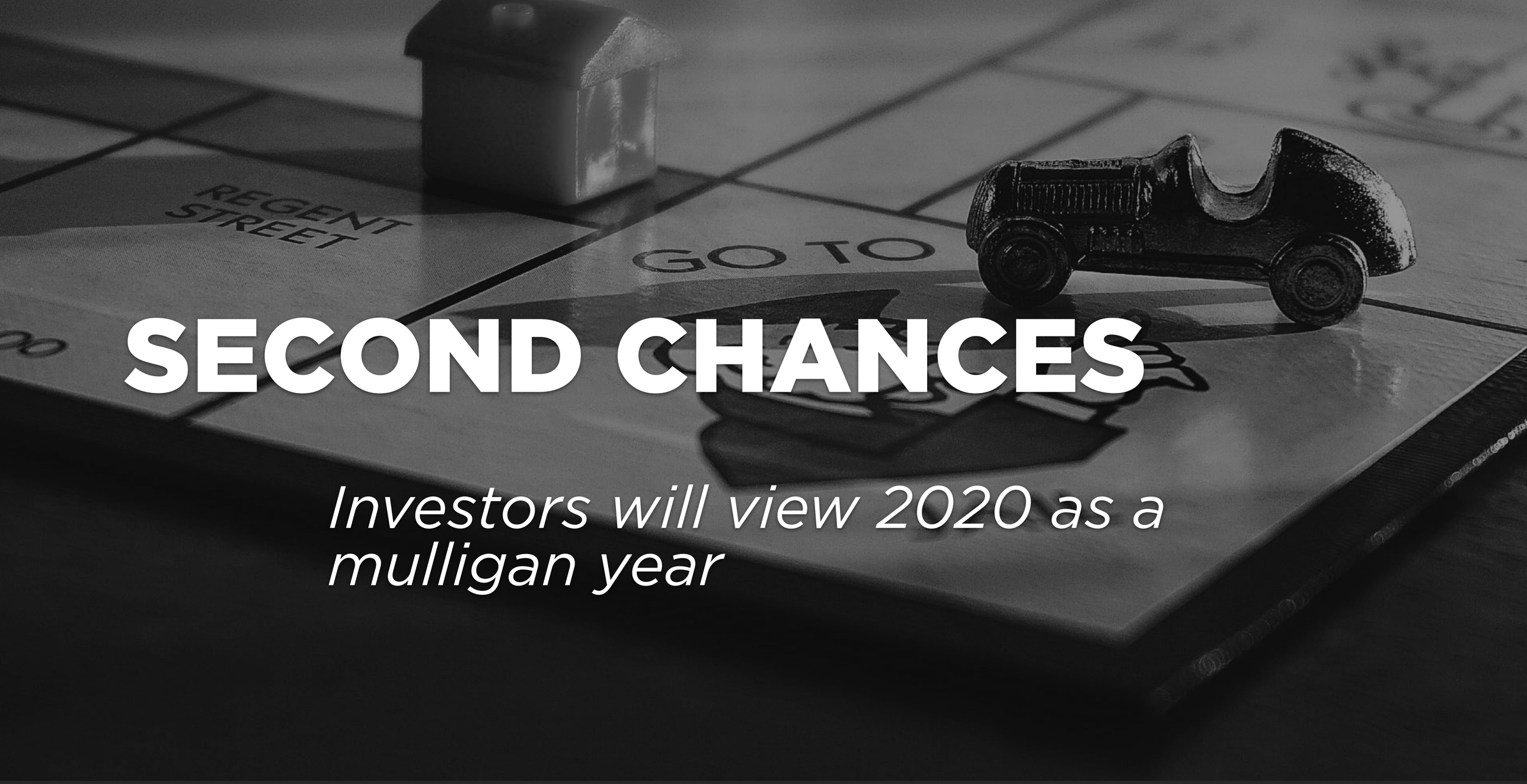
# PREPARE

*To capitalize when the market turns*

# FUNDRAISING ADVICE

# SOLID BUSINESSES

*Will still be able to raise*



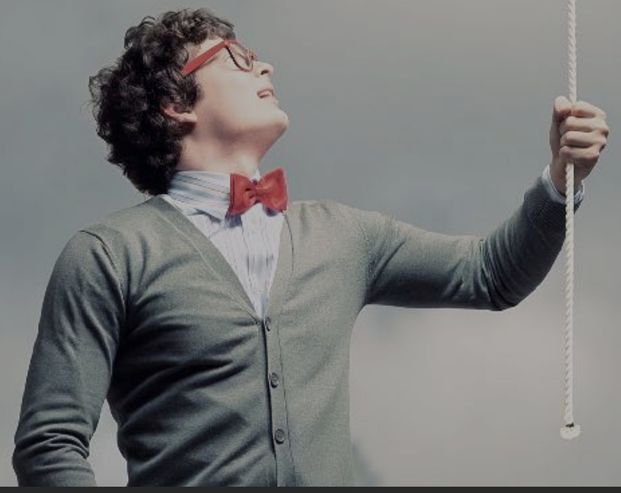

# SECOND CHANCES

*Investors will view 2020 as a mulligan year*

# KEEP STEADY

*You'll likely need to show at least 1Q of selling at normal pace to raise*

# FOUNDERS



# SPEAKER

**ALEX POPA**
CEO
Boast.AI

# NAVIGATING TOUGH TIMES

# RELATIONSHIPS = GOLD

*Comfort your team & customers*

# SHARE RUNWAY

*Convey with numbers why things will be fine despite tough times*

# STRETCH EVERY $

*Focus on customers, high-prob pipeline, low cost/free channels, negotiating with vendors, cutting costs*

# DO MORE WITH LESS

*Great time to learn new skills that you would otherwise outsource*

# RE-FORECAST IF NEEDED

*Keep pulse on the market and adjust accordingly*

# ENABLE & EDUCATE

*Host online events to help your customers, prospects & community*

# VIRTUAL HAPPY HOURS

*Encourage bonding, spur conversation around best practices & new ideas*

# MAKING REMOTE WORK

# ALIGN THE TEAM

*Take the time to explain mission, vision, values*

# SET CLEAR EXPECTATIONS

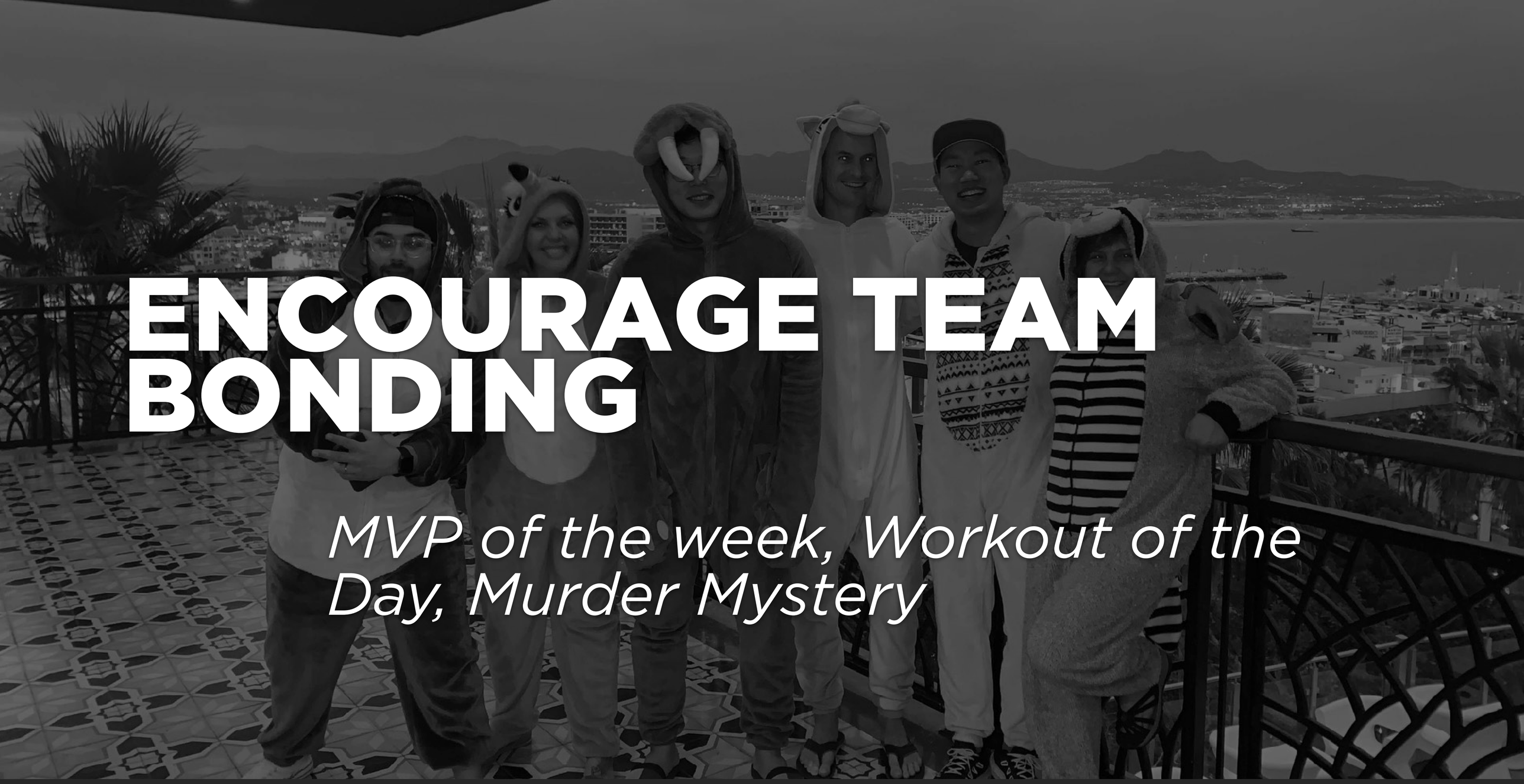
*Monthly goals with metrics & dashboards that are reviewed weekly*

# LEVERAGE ONLINE TOOLS

*FB Workplace, JIRA, etc. to keep conversations flowing*

# CELEBRATE

*Birthdays, work anniversaries, testimonials, wins*



# ENCOURAGE TEAM BONDING

*MVP of the week, Workout of the Day, Murder Mystery*

# GIVE BACK TOGETHER

*The joy of giving is 2nd to none*

# PLAN AN OFFSITE

*For when this is over...*

# SUPPORT PROGRAMS - US

- Paycheck protection program - partially forgivable loan of 2.5x monthly payroll, rent, utilities, expenses.
- Employee retention tax credit - refundable 50% tax credit on wages up to $10,000 per employee on wages paid or incurred from Mar 13 - Dec 31, applied against social security taxes.
- SBA Economic Injury Disaster Loan - borrow up to $2m for up to 30 years at an interest rate of 3.75%. Emergency advance of $10k available, potentially forgivable.
- Defer social security taxes to 2021 and 2022.
- Keep money deposited for payroll taxes in anticipation of refunds if you had employees take Paid Family and Medical Leave or Paid Sick Leave.

# SUPPORT PROGRAMS - CANADA

- 75% wage subsidy up to 3 months, retroactive to Mar 15, up to a max $847/ week. Must show 30% revenue drop compared to the same month last year (this applies to March, April or May). More to follow on this.

- 10% wage subsidy on pay from Mar 18 - Jun 19, 2020, up to $1,375 for each eligible employee and to a maximum of $25k total per employer.

- $40,000 in government-backed loans to businesses, with no interest for a year and the chance that $10,000 will be forgiven.

- FI's offering operating line increases by 10% for 120 days at reduced interest rates, converting existing term loans into interest-only payment for up to 6 months, and deferral on payments.

# RESOURCES

- US govt. support programs: uscham.com/uscovidprograms
- Canadian govt. support programs: bit.ly/cacovidprograms
- Boast.AI, alex@boast.ai

# FALSE GROWTH SYNDROME

*John Koetsier, Journalist*
*Forbes, VentureBeat*

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